REMARKS/ARGUMENTS

Reconsideration and withdrawal of the rejections of the application are respectfully requested in view of the amendments and remarks herewith, which place the application into condition for allowance. The present amendment is being made to facilitate prosecution of the application.

I. STATUS OF THE CLAIMS AND FORMAL MATTERS

Claims 1-14 are pending. Claims 1, 4, 10 and 11 are independent. Claims 1, 2, 4, 5 and 10-12 are hereby amended. No new matter has been introduced. It is submitted that these claims, as originally presented, were in full compliance with the requirements of 35 U.S.C. §112. Changes to claims are not made for the purpose of patentability within the meaning of 35 U.S.C. §101, §102, §103, or §112 beyond the remarks herein.

II. REJECTIONS UNDER 35 U.S.C. §103(a)

Claims 1-14 were rejected under 35 U.S.C. §103(a) as allegedly unpatentable over U.S. Patent No. 6,698,020 to Zigmond, et al. (hereinafter, merely "Zigmond") in view of U.S. Pub. No.: 2002/0010927 to Kim (hereinafter, merely "Kim").

Claim 1 recites, inter alia:

"A communication apparatus comprising:...

wherein a user of said communication apparatus is charged based on log information transmitted from said communication apparatus." (Emphasis Added)

As understood by Applicants, Zigmond relates to a system and method for selecting and inserting advertisements into a video programming feed at the household level. An advertisement insertion device in a home entertainment system receives a plurality of

advertisements from an advertisement source. The advertisement insertion device selects one of the advertisements for display to a viewer according to advertisement selection criteria combined with viewer and system information. The video programming is displayed to a viewer while the advertisement insertion device monitors the programming feed for a triggering event indicating an appropriate time to display the selected advertisement. At the appropriate time, the video programming feed is interrupted and the selected advertisement is displayed.

As understood by Applicants, Kim relates to methods and apparatus for interactive digital television service networks which combine regular programming with commercial Banner Information pursuant to a Service Operator/end user agreement so that the Banner Information is simultaneously displayed with regular programs upon a receiver.

Applicants respectfully submit that Zigmond and Kim, taken either alone or in combination, fail to teach or suggest the above-identified features of claim 1. Specifically, Zigmond and Kim do not disclose that a user of said communication apparatus is charged based on log information transmitted from said communication apparatus, as recited in independent claim 1.

Applicants submit that the present invention is distinguished from Zigmond since Zigmond discloses in column 9, lines 48-55 that the viewer response information may be periodically sent to a clearinghouse where the information may be aggregated and made available to the operator of the advertisement source, the advertisers, or other interested parties. Further, in column 4, lines 62-65, Zigmond discloses that the viewer response information may allow the advertisers to further modify the content of their advertisements or to change the advertisement selection criteria so as to communicate more effectively to viewers. The cited

portions of Zigmond do not teach or suggest that <u>a user is charged based on the log information</u> transmitted from said communication apparatus.

Further, Applicants submit that Kim fails to teach or suggest the deficiencies of Zigmond.

Therefore, Applicants submit that independent claim 1 is patentable.

For reasons similar to, or somewhat similar to, those described above with regard to independent claim 1, independent claims 4, 10 and 11 are also believed to be patentable.

III. DEPENDENT CLAIMS

The other claims are dependent from independent claim 1, discussed above, and are therefore believed patentable for at least the same reasons. Since each dependent claim is also deemed to define an additional aspect of the invention, however, the individual reconsideration of the patentability of each on its own merits is respectfully requested.

CONCLUSION

In view of the foregoing amendments and remarks, it is believed that all of the claims remaining in this application are patentable and Applicant respectfully requests early passage to issue of the present application.

In the event the Examiner disagrees with any of the statements appearing above with respect to the disclosures in the cited reference or references, it is respectfully requested that the Examiner specifically indicate those portion or portions of the reference or references, providing the basis for a contrary view.

Please charge any additional fees that may be needed, and credit any

overpayment, to our Deposit Account No. 50-0320.

Respectfully submitted,

FROMMER LAWRENCE & HAUG LLP Attorneys for Applicant

y Homes Thomas F. Presson

> Reg. No. 41,442 Russell P. Blaise Reg. No. 66,567 Phone: (212) 588-0800

Fax: (212) 588-0500